E2SSB 5448 - H AMD 816 ADOPTED 4/13/95

By Representative Chandler

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5 Strike everything after the enacting clause and insert the 6 following:

7 "NEW SECTION. Sec. 1. The legislature finds that:

- 8 (1) Protection of the state's water resources, and utilization of 9 such resources for provision of public water supplies, requires more 10 efficient and effective management than is currently provided under 11 state law;
- (2) The provision of public water supplies to the people of the state should be undertaken in a manner that is consistent with the planning principles of the growth management act and the comprehensive plans adopted by local governments under the growth management act;
 - (3) Small water systems have inherent difficulties with proper planning, operation, financing, management and maintenance. The ability of such systems to provide safe and reliable supplies to their customers on a long-term basis needs to be assured through proper management and training of operators;
 - (4) New water quality standards and operational requirements for public water systems will soon generate higher rates for the customers of those systems, which may be difficult for customers to afford to pay. It is in the best interest of the people of this state that small systems maintain themselves in a financially viable condition;
 - (5) The drinking water 2000 task force has recommended maintaining a strong and properly funded state-wide drinking water program, retaining primary responsibility for administering the federal safe drinking water act in Washington. The task force has further recommended delegation of as many water system regulatory functions as possible to local governments, with provision of adequate resources and elimination of barriers to such delegation. In order to achieve these objectives, the state shall provide adequate funding from both general state funds and funding directly from the regulated water system;
 - (6) The public health services improvement plan recommends that the principal public health functions in Washington, including regulation

- 1 of public water systems, should be fully funded by state revenues and
- 2 undertaken by local jurisdictions with the capacity to perform them;
- 3 and
- 4 (7) State government, local governments, water suppliers, and other
- 5 interested parties should work for continuing economic growth of the
- 6 state by maximizing the use of existing water supply management
- 7 alternatives, including regional water systems, satellite management,
- 8 and coordinated water system development.
- 9 **Sec. 2.** RCW 70.116.060 and 1977 ex.s. c 142 s 6 are each amended 10 to read as follows:
- 11 (1) A coordinated water system plan shall be submitted to the 12 secretary for design approval within two years of the establishment of 13 the boundaries of a critical water supply service area.
- (2) The secretary shall review the coordinated water system plan and, to the extent the plan is consistent with the requirements of this chapter and regulations adopted hereunder, shall approve the plan, provided that the secretary shall not approve those portions of a coordinated water system plan ((which)) that fail to meet the requirements for future service area boundaries until any boundary dispute is resolved as set forth in RCW 70.116.070.
- 21 (3) Following the approval of a coordinated water system plan by 22 the secretary:
- 23 (a) All purveyors constructing or proposing to construct public 24 water system facilities within the area covered by the plan shall 25 comply with the plan.
- (b) No other purveyor shall establish a public water system within 26 27 the area covered by the plan, unless the ((secretary)) local <u>legislative</u> authority determines that existing purveyors are unable to 28 29 provide the service in a timely and reasonable manner, pursuant to 30 guidelines developed by the secretary. An existing purveyor is unable to provide the service in a timely manner if the water cannot be 31 provided to an applicant for water within one hundred twenty days 32 unless specified otherwise by the local legislative authority. If such 33 34 a determination is made, the ((secretary may)) local legislative authority shall require the new public water system to be constructed 35 in accordance with the construction standards and specifications 36 37 embodied in the coordinated water system plan approved for the area.
- 38 The service area boundaries in the coordinated plan for the affected

- 1 utilities shall be revised to reflect the decision of the local
 2 legislative authority.
- 3 (4) The secretary may deny proposals to establish or to expand any 4 public water system within a critical water supply service area for 5 which there is not an approved coordinated water system plan at any 6 time after two years of the establishment of the critical water supply 7 service area: PROVIDED, That service connections shall not be 8 considered expansions.
- 9 (5) The affected legislative authorities may develop and utilize a
 10 mechanism for addressing disputes that arise in the implementation of
 11 the coordinated water system plan after the plan has been approved by
 12 the secretary.
- (6) After adoption of the initial coordinated water system plan, 13 14 the local legislative authority or the secretary may determine that the plan should be updated or revised. The legislative authority may 15 initiate an update at any time, but the secretary may initiate an 16 update no more frequently than once every five years. The update may 17 encompass all or a portion of the plan, with the scope of the update to 18 19 be determined by the secretary and the legislative authority. The process for the update shall be the one prescribed in RCW 70.116.050. 20
- 21 (7) The provisions of subsection (3) of this section shall not 22 apply in any county for which a coordinated water system plan has not 23 been approved under subsection (2) of this section.
- 24 (8) If the secretary initiates an update or revision of a 25 coordinated water system plan, the state shall pay for the cost of 26 updating or revising the plan.
- 27 **Sec. 3.** RCW 70.119A.060 and 1991 c 304 s 4 are each amended to 28 read as follows:
- 29 (1) In order to assure safe and reliable public drinking water and 30 to protect the public health, public water systems shall:
- 31 (a) Protect the water sources used for drinking water;
- 32 (b) Provide treatment adequate to assure that the public health is 33 protected;
- 34 (c) Provide and effectively operate and maintain public water 35 system facilities;
- 36 (d) Plan for future growth and assure the availability of safe and 37 reliable drinking water;

- 1 (e) Provide the department with the current names, addresses, and 2 telephone numbers of the owners, operators, and emergency contact 3 persons for the system, including any changes to this information, and 4 provide to users the name and twenty-four hour telephone number of an 5 emergency contact person; and
- 6 (f) Take whatever investigative or corrective action is necessary 7 to assure that a safe and reliable drinking water supply is 8 continuously available to users.
- 9 (2) No new public water system may be approved or created unless: (a) It is owned or operated by a satellite system management agency 10 established under RCW 70.116.134 and the satellite system management 11 system complies with financial viability requirements of the 12 13 department; or (b) a satellite management system is not available and 14 it is determined that the new system has sufficient management and financial resources to provide safe and reliable service. The approval 15 of any new system that is not owned by a satellite system management 16 agency shall be conditioned upon future management or ownership by a 17 satellite system management agency, if such management or ownership can 18 19 be made with reasonable economy and efficiency, or upon periodic review of the system's operational history to determine its ability to meet 20 the department's financial viability and other operating requirements. 21 The department and local health jurisdictions shall enforce this 22 requirement under authority provided under this chapter, chapter 23 24 70.116, or 70.05 RCW, or other authority governing the approval of new 25 water systems by the department or a local jurisdiction.
- 26 (3) The department and local health jurisdictions shall carry out 27 the rules and regulations of the state board of health adopted pursuant 28 to RCW 43.20.050(2)(a) and other rules adopted by the department 29 relating to public water systems.
- NEW SECTION. Sec. 4. A new section is added to chapter 70.119A RCW to read as follows:
- The department shall create a water supply advisory committee. 32 33 Membership on the committee shall reflect a broad range of interests in the regulation of public water supplies, including water utilities of 34 local governments, business groups, 35 all sizes, special purpose 36 districts, local health jurisdictions, other state and federal 37 agencies, financial institutions, environmental organizations, the 38 legislature, and other groups substantially affected the

department's role in implementing state and federal requirements for 1 2 public water systems. Members shall be appointed for fixed terms of no less than two years, and may be reappointed. Any members of an 3 4 existing advisory committee to the drinking water program may remain as members of the water supply advisory committee. 5 The committee shall provide advice to the department on the organization, functions, 6 7 service delivery methods, and funding of the drinking water program. 8 The committee shall also review the adequacy and necessity of the 9 current and prospective funding for the drinking water program, and the 10 results of the committees' review shall be forwarded to the department for inclusion in a report to the appropriate standing committees of the 11 legislature no later than November 1, 1996. The report shall include 12 13 a discussion of the extent to which the drinking water program has progressed toward achieving the objectives of the public health 14 15 improvement plan, and an assessment of any changes to the program necessitated by modifications to the federal safe drinking water act. 16

- 17 Sec. 5. RCW 82.16.020 and 1989 c 302 s 204 are each amended to 18 read as follows:
- 19 (1) There is levied and there shall be collected from every person a tax for the act or privilege of engaging within this state in any one 20 or more of the businesses herein mentioned. The tax shall be equal to 21 22 the gross income of the business, multiplied by the rate set out after 23 the business, as follows:
- 24 (a) Railroad, express, railroad car, sewerage collection, 25 telegraph businesses: Three and six-tenths percent;
- 26 (b) Light and power business: Three and sixty-two one-hundredths 27 percent;
 - (c) Gas distribution business: Three and six-tenths percent;
 - (d) Urban transportation business: Six-tenths of one percent;
- 30 (e) Vessels under sixty-five feet in length, except tugboats, operating upon the waters within the state: Six-tenths of one percent; 31
- 32 (f) Motor transportation and tugboat businesses, and all public 33 service businesses other than ones mentioned above: One and eight-
- 34 tenths of one percent;
 - (g) Water distribution business: Four and seven-tenths percent.
- 36 (2) An additional tax is imposed equal to the rate specified in RCW
- 37 82.02.030 multiplied by the tax payable under subsection (1) of this
- 38 section.

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- 1 (3) Twenty percent of the moneys collected under subsection (1) of 2 this section on water distribution businesses and sixty percent of the 3 moneys collected under subsection (1) of this section on sewerage 4 collection businesses shall be deposited in the public works assistance 5 account created in RCW 43.155.050.
- 6 (4) Fifteen percent of the moneys collected under subsection (1) of
 7 this section on water distribution businesses shall be deposited in the
 8 safe drinking water account created in RCW 70.119A.120.
- 9 **Sec. 6.** RCW 70.119.020 and 1991 c 305 s 2 are each amended to read 10 as follows:
- 11 As used in this chapter unless context requires another meaning:
- 12 (1) "Board" means the board established pursuant to RCW 70.95B.070 13 which shall be known as the water and waste water operator 14 certification board of examiners.
- 15 (2) "Certificate" means a certificate of competency issued by the 16 secretary stating that the operator has met the requirements for the 17 specified operator classification of the certification program.
- (3) "Certified operator" means an individual holding a valid certificate and employed or appointed by any county, water district, municipality, public or private corporation, company, institution, person, or the state of Washington and who is designated by the employing or appointing officials as the person responsible for active daily technical operation.
- 24 (4) "Department" means the department of health.
- 25 (5) "Distribution system" means that portion of a public water 26 system which stores, transmits, pumps and distributes water to 27 consumers.
- 28 (6) "Ground water under the direct influence of surface water" 29 means any water beneath the surface of the ground with:
- 30 (a) Significant occurrence of insects or other macroorganisms, 31 algae, or large diameter pathogens such as giardia lamblia; or
- 32 (b) Significant and relatively rapid shifts in water 33 characteristics such as turbidity, temperature, conductivity, or pH 34 which closely correlate to climatological or surface water conditions.
- 35 (7) "Group A water system" means a system with fifteen or more 36 service connections, regardless of the number of people; or a system 37 serving an average of twenty-five or more people per day for sixty or 38 more days within a calendar year, regardless of the number of service

- 1 connections. Group A water system does not include a system serving 2 fewer than fifteen single-family residences, regardless of the number 3 of people.
- 4 (8) "Nationally recognized association of certification 5 authorities" shall mean an organization which serves as an information center for certification activities, recommends minimum standards and 6 guidelines for classification of potable water treatment plants, water 7 distribution systems and waste water facilities and certification of 8 operators, facilitates reciprocity between state programs and assists 9 10 authorities in establishing new certification programs and updating existing ones. 11
- (9) "Public water system" means any system, excluding a system 12 13 serving only one single-family residence and a system with four or fewer connections all of which serve residences on the same farm, 14 15 providing piped water for human consumption or domestic use, including 16 any collection, treatment, storage, or distribution facilities under control of the purveyor and used primarily in connection with the 17 system; and collection or pretreatment storage facilities not under 18 19 control of the purveyor but primarily used in connection with the 20 system.
- (10) "Purification plant" means that portion of a public water system which treats or improves the physical, chemical or bacteriological quality of the system's water to bring the water into compliance with state board of health standards.
- 25 (11) "Secretary" means the secretary of the department of health.
- 26 (12) "Service" means a connection to a public water system designed
- 27 to serve a single-family residence, dwelling unit, or equivalent use.
- 28 If the facility has group home or barracks-type accommodations, three 29 persons will be considered equivalent to one service.
- 30 (13) "Surface water" means all water open to the atmosphere and 31 subject to surface runoff.
- 32 **Sec. 7.** RCW 70.119.030 and 1991 c 305 s 3 are each amended to read 33 as follows:
- 34 (1) A public water system shall have a certified operator if:
- 35 (a) ((The system serves one hundred or more services in use at any 36 one time)) It is a group A water system; or

- (b) It is a ((group A)) public water system using a surface water 1 source or a ground water source under the direct influence of surface 2 3 water.
- 4 (2) The certified operators shall be in charge of the technical direction of a water system's operation, or an operating shift of such 5 a system, or a major segment of a system necessary for monitoring or 6 7 improving the quality of water. The operator shall be certified as 8 provided in RCW 70.119.050.
- 9 (3) A certified operator may provide required services to more than one system or to a group of systems. The amount of time that a 10 certified operator shall be required to be present at any given system 11 shall be based upon the time required to properly operate and maintain 12 the public water system as designed and constructed in accordance with 13 14 RCW 43.20.050. The employing or appointing officials shall designate 15 the position or positions requiring mandatory certification within 16 their individual systems and shall assure that such certified operators 17 are responsible for the system's technical operation.

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- (4) The department shall, in establishing by rule or otherwise the 19 requirements for public water systems with fewer than one hundred connections, phase in such requirements in order to assure that (a) an adequate number of certified operators are available to serve the additional systems, (b) the systems have adequate notice and time to plan for securing the services of a certified operator, (c) the department has the additional data and other administrative capacity, (d) adequate training is available to certify additional operators as necessary, and (e) any additional requirements under federal law are satisfied. The department shall waive the requirement for a certified operator for a system with fewer than one hundred connections if that system satisfactorily demonstrates to the department that: It is not in significant noncompliance with monitoring or water quality standards, as defined by the department by rule; it otherwise meets the requirements of the department with regard to adequacy and financial viability; and it does not have, or is not required to have, any water treatment facilities. The waiver shall only be valid while the system meets these requirements.
- 36 (5) Any examination required by the department as a prerequisite 37 for the issuance of a certificate under this chapter shall be offered 38 in each region where the department has a regional office.

- 1 (6) Operators not required to be certified by this chapter are 2 encouraged to become certified on a voluntary basis.
- 3 **Sec. 8.** RCW 70.116.050 and 1977 ex.s. c 142 s 5 are each amended 4 to read as follows:
- (1) Each purveyor within the boundaries of a critical water supply 5 service area shall develop a water system plan for the purveyor's 6 7 future service area if such a plan has not already been developed: PROVIDED, That nonmunicipally owned public water systems are exempt 8 9 from the planning requirements of this chapter, except for the establishment of service area boundaries if they((÷ (a) Were in 10 existence as of September 21, 1977; and (b))) have no plans for water 11 12 service beyond their existing service area((, and (c) meet minimum quality and pressure design criteria established by the state board of 13 health)): PROVIDED FURTHER, That if the county legislative authority 14 15 permits a change in development that will increase the demand for water service of such a system beyond the existing system's ability to 16 provide minimum water service, the purveyor shall develop a water 17 18 system plan in accordance with this section. The establishment of future service area boundaries shall be in accordance with RCW 19 70.116.070. 20
 - (2) After the boundaries of a critical water supply service area have been established pursuant to RCW 70.116.040, the committee established in RCW 70.116.040 shall participate in the development of a coordinated water system plan for the designated area. Such a plan shall incorporate all water system plans developed pursuant to subsection (1) of this section. The plan shall provide for maximum integration and coordination of public water system facilities consistent with the protection and enhancement of the public health and well-being. Decisions of the committee shall be by majority vote of those present at meetings of the committee.

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- (3) Those portions of a critical water supply service area not yet served by a public water system shall have a coordinated water system plan developed by existing purveyors based upon permitted densities in county plans, ordinances, and/or growth policies for a minimum of five years beyond the date of establishment of the boundaries of the critical water supply service area.
- 37 (4) To insure that the plan incorporates the proper designs to 38 protect public health, the secretary shall adopt regulations pursuant

- to chapter 34.05 RCW concerning the scope and content of coordinated water system plans, and shall ensure, as minimum requirements, that such plans:
- 4 (a) Are reviewed by the appropriate local governmental agency to 5 insure that the plan is not inconsistent with the land use plans, 6 shoreline master programs, and/or developmental policies of the general 7 purpose local government or governments whose jurisdiction the water 8 system plan affects.
- 9 (b) Recognize all water resource plans, water quality plans, and 10 water pollution control plans which have been adopted by units of 11 local, regional, and state government.
- 12 (c) Incorporate the fire protection standards developed pursuant to 13 RCW 70.116.080.
- (d) Identify the future service area boundaries of the public water system or systems included in the plan within the critical water supply service area.
- 17 (e) Identify feasible emergency inter-ties between adjacent 18 purveyors.
- 19 <u>(f) Include satellite system management requirements consistent</u> 20 with RCW 70.116.134.
- 21 (g) Include policies and procedures that generally address failing 22 water systems for which counties may become responsible under RCW 23 43.70.195.

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- (5) If a "water general plan" for a critical water supply service area or portion thereof has been prepared pursuant to chapter 36.94 RCW and such a plan meets the requirements of subsections (1) and (4) of this section, such a plan shall constitute the coordinated water system plan for the applicable geographical area.
- 29 (6) The committee established in RCW 70.116.040 may develop and 30 utilize a mechanism for addressing disputes that arise in the 31 development of the coordinated water system plan.
- (7) Prior to the submission of a coordinated water system plan to 32 33 the secretary for approval ((of the design of the proposed facilities)) pursuant to RCW 70.116.060, ((the plan shall be reviewed for 34 35 consistency with subsection (4) of this section by)) the legislative authorities of the counties in which the critical water supply service 36 37 area is located <u>shall hold a public hearing thereon and shall determine</u> the plan's consistency with subsection (4) of this section. If within 38 39 sixty days of receipt of the plan, the legislative authorities find any

segment of a proposed service area of a purveyor's plan or any segment 2 of the coordinated water system plan to be inconsistent with any current land use plans, shoreline master programs, and/or developmental 3 4 policies of the general purpose local government or governments whose jurisdiction the water system plan affects, the secretary shall not 5 approve that portion of the plan until the inconsistency is resolved 6 7 between the local government and the purveyor. If no comments have 8 been received from the legislative authorities within sixty days of 9 receipt of the plan, the secretary may consider the plan for approval. 10 (8) Any county legislative authority may adopt an abbreviated plan for the provision of water supplies within its boundaries that includes 11 provisions for service area boundaries, minimum design criteria, and 12 review process. The elements of the abbreviated plan shall conform to 13 the criteria established by the department under subsection (4) of this 14 15 section and shall otherwise be consistent with other adopted land use and resource plans. The county legislative authority may, in lieu of 16 the committee required under RCW 70.116.040, and the procedures 17 authorized in this section, utilize an advisory committee that is 18 19 representative of the water utilities and local governments within its jurisdiction to assist in the preparation of the abbreviated plan, 20 which may be adopted by resolution and submitted to the secretary for 21 approval. Purveyors within the boundaries covered by the abbreviated 22 plan need not develop a water system plan, except to the extent 23 24 required by the secretary or state board of health under other authority. Any abbreviated plan adopted by a county legislative 25 26 authority pursuant to this subsection shall be subject to the same provisions contained in RCW 70.116.060 for coordinated water system 27 plans that are approved by the secretary. 28

29 **Sec. 9.** RCW 70.119A.040 and 1993 c 305 s 2 are each amended to 30 read as follows:

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(1)(a) In addition to or as an alternative to any other penalty or action allowed by law, a person who violates a law or rule regulating public water systems and administered by the department of health is subject to a penalty of not more than five thousand dollars per day for every such violation, or, in the case of a violation that has been determined to be a public health emergency, a penalty of not more than ten thousand dollars per day for every such violation. Every such violation shall be a separate and distinct offense. The amount of fine

shall reflect the health significance of the violation and the previous record of compliance on the part of the public water supplier. In case of continuing violation, every day's continuance shall be a separate and distinct violation.

- 5 (b) In addition, a person who constructs, modifies, or expands a public water system or who commences the construction, modification, or 6 7 expansion of a public water system without first obtaining the required departmental approval is subject to penalties of not more than five 8 9 thousand dollars per service connection, ((or,)) except that a penalty 10 may not exceed one thousand dollars per service connection if the public water system has less than one thousand connections and the 11 person had submitted all information and plans to the department 12 necessary for departmental approval for modification or expansion of 13 the system and the department has not acted within a reasonable period 14 15 of time. In the case of a system serving a transient population, a penalty of not more than four hundred dollars per person based on the 16 highest average daily population the system serves or is anticipated to 17 serve <u>may be imposed</u>. The total penalty that may be imposed pursuant 18 19 to this subsection (1)(b) is five hundred thousand dollars. For the purpose of computing the penalty under this subsection, a service 20 connection shall include any new service connection actually 21 constructed, any anticipated service connection the system has been 22 designed to serve, and, in the case of a system modification not 23 24 involving expansions, each existing service connection that benefits or 25 would benefit from the modification.
- (c) Every person who, through an act of commission or omission, procures, aids, or abets a violation is considered to have violated the provisions of this section and is subject to the penalty provided in this section.

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- (2) The penalty provided for in this section shall be imposed by a notice in writing to the person against whom the civil penalty is assessed and shall describe the violation. The notice shall be personally served in the manner of service of a summons in a civil action or in a manner that shows proof of receipt. A penalty imposed by this section is due twenty-eight days after receipt of notice unless application for an adjudicative proceeding is filed as provided in subsection (3) of this section.
- 38 (3) Within twenty-eight days after notice is received, the person 39 incurring the penalty may file an application for an adjudicative

proceeding and may pursue subsequent review as provided in chapter 34.05 RCW and applicable rules of the department or board of health.

- (4) A penalty imposed by a final administrative order is due upon service of the final administrative order. A person who fails to pay a penalty assessed by a final administrative order within thirty days of service of the final administrative order shall pay, in addition to the amount of the penalty, interest at the rate of one percent of the unpaid balance of the assessed penalty for each month or part of a month that the penalty remains unpaid, commencing with the month in which the notice of penalty was served and such reasonable attorney's fees as are incurred in securing the final administrative order.
- (5) A person who institutes proceedings for judicial review of a final administrative order assessing a civil penalty under this chapter shall place the full amount of the penalty in an interest bearing account in the registry of the reviewing court. At the conclusion of the proceeding the court shall, as appropriate, enter a judgment on behalf of the department and order that the judgment be satisfied to the extent possible from moneys paid into the registry of the court or shall enter a judgment in favor of the person appealing the penalty assessment and order return of the moneys paid into the registry of the court together with accrued interest to the person appealing. The judgment may award reasonable attorney's fees for the cost of the attorney general's office in representing the department.
- (6) If no appeal is taken from a final administrative order assessing a civil penalty under this chapter, the department may file a certified copy of the final administrative order with the clerk of the superior court in which the public water system is located or in Thurston county, and the clerk shall enter judgment in the name of the department and in the amount of the penalty assessed in the final administrative order.
- (7) A judgment entered under subsection (5) or (6) of this section shall have the same force and effect as, and is subject to all of the provisions of law relating to, a judgment in a civil action, and may be enforced in the same manner as any other judgment of the court in which it is entered.
- (8) All penalties imposed under this section shall be payable to the state treasury and credited to the ((general fund)) safe drinking water account, and shall be used by the department to provide training and technical assistance to system owners and operators.

(9) Except in cases of public health emergencies, the department 1 2 may not impose monetary penalties under this section unless a prior 3 effort has been made to resolve the violation informally.

4 Sec. 10. RCW 70.119A.130 and 1991 c 304 s 7 are each amended to read as follows:

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((Until July 1, 1996, local governments shall be prohibited from administering a separate operating permit requirement for public water systems. After July 1, 1996,)) Local governments may establish separate operating permit requirements for public water systems provided the operating permit requirements have been approved by the department. The department shall not approve local operating permit requirements unless the local system will result in an increased level of service to the public water system. There shall not be duplicate operating permit requirements imposed by local governments and the department.

16 NEW SECTION. Sec. 11. A new section is added to chapter 70.119A 17 RCW to read as follows:

A drinking water assistance account is created in the state 18 The purpose of the account is to allow the state to take 19 advantage of any federal funds that become available for safe drinking 20 21 water. Expenditures from the account may only be made by the secretary 22 or the public works board after appropriation. Moneys in the account 23 may only be used to assist water systems to provide safe drinking water 24 through a program administered through the department of health and the 25 public works board. Money may be placed in the account from the proceeds of bonds when authorized by the legislature, transfers from 26 27 other state funds or accounts, federal capitalization grants or other 28 financial assistance, all repayments of moneys borrowed from the 29 account, all interest payments made by borrowers from the account or otherwise earned on the account, or any other lawful source. 30 Expenditures from the account may only be made by the secretary or the 31 32 public works board after appropriation. Moneys in the account may only 33 be used to assist local governments and water systems to provide safe and reliable drinking water and to administer the program. 34

35 Sec. 12. RCW 43.155.050 and 1993 sp.s. c 24 s 921 are each amended 36 to read as follows:

The public works assistance account is hereby established in the 1 2 state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature 3 4 or from any other lawful source. Money in the public works assistance 5 account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may 6 7 also be appropriated to provide for state match requirements under 8 federal law for projects and activities conducted and financed by the 9 board under the drinking water assistance account. During the 1993-95 10 fiscal biennium, moneys in the public works assistance account may be appropriated for flood control assistance including grants under 11 To the extent that moneys in the public works 12 chapter 86.26 RCW. 13 assistance account are not appropriated during the 1993-95 fiscal biennium for public works or flood control assistance, the legislature 14 15 may direct their transfer to the state general fund. In awarding 16 grants under chapter 86.26 RCW, the department of ecology shall give 17 strong preference to local governments that have: (1) Implemented, or are in the process of implementing, an ordinance that establishes a 18 19 flood plain policy that is substantially more stringent than minimum 20 federal requirements; (2) completed a comprehensive flood control plan meeting the requirements of RCW 86.12.200; or (3) constructed, or are 21 in the process of constructing, a system of overtopping dikes or levees 22 23 that allow public access.

Sec. 13. RCW 80.04.110 and 1991 c 134 s 1 and 1991 c 100 s 2 are each reenacted and amended to read as follows:

(1) Complaint may be made by the commission of its own motion or by 26 27 any person or corporation, chamber of commerce, board of trade, or any commercial, mercantile, agricultural or manufacturing society, or any 28 29 body politic or municipal corporation, or by the public counsel section of the office of the attorney general, or its successor, by petition or 30 31 complaint in writing, setting forth any act or thing done or omitted to 32 be done by any public service corporation in violation, or claimed to be in violation, of any provision of law or of any order or rule of the 33 34 commission: PROVIDED, That no complaint shall be entertained by the commission except upon its own motion, as to the reasonableness of the 35 36 schedule of the rates or charges of any gas company, electrical 37 company, water company, or telecommunications company, unless the same be signed by the mayor, council or commission of the city or town in 38

which the company complained of is engaged in business, or not less 2 than twenty-five consumers or purchasers of such gas, electricity, water or telecommunications service, or at least twenty-five percent of 3 4 the consumers or purchasers of the company's service: 5 FURTHER, That when two or more public service corporations, (meaning to exclude municipal and other public corporations) are engaged in 6 7 competition in any locality or localities in the state, either may make 8 complaint against the other or others that the rates, charges, rules, 9 regulations or practices of such other or others with or in respect to 10 complainant is in competition, are unreasonable, unremunerative, discriminatory, illegal, unfair or intending or tending 11 to oppress the complainant, to stifle competition, or to create or 12 13 encourage the creation of monopoly, and upon such complaint or upon complaint of the commission upon its own motion, the commission shall 14 15 have power, after notice and hearing as in other cases, to, by its 16 order, subject to appeal as in other cases, correct the abuse complained of by establishing such uniform rates, charges, rules, 17 regulations or practices in lieu of those complained of, to be observed 18 19 by all of such competing public service corporations in the locality or 20 localities specified as shall be found reasonable, remunerative, nondiscriminatory, legal, and fair or tending to prevent oppression or 21 monopoly or to encourage competition, and upon any such hearing it 22 23 shall be proper for the commission to take into consideration the 24 rates, charges, rules, regulations and practices of the public service 25 corporation or corporations complained of in any other locality or 26 localities in the state.

(2) All matters upon which complaint may be founded may be joined in one hearing, and no motion shall be entertained against a complaint for misjoinder of complaints or grievances or misjoinder of parties; and in any review of the courts of orders of the commission the same rule shall apply and pertain with regard to the joinder of complaints and parties as herein provided: PROVIDED, All grievances to be inquired into shall be plainly set forth in the complaint. No complaint shall be dismissed because of the absence of direct damage to the complainant.

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36 (3) Upon the filing of a complaint, the commission shall cause a 37 copy thereof to be served upon the person or corporation complained of, 38 which shall be accompanied by a notice fixing the time when and place 39 where a hearing will be had upon such complaint. The time fixed for

such hearing shall not be less than ten days after the date of the service of such notice and complaint, excepting as herein provided. The commission shall enter its final order with respect to a complaint filed by any entity or person other than the commission within ten months from the date of filing of the complaint, unless the date is extended for cause. Rules of practice and procedure not otherwise provided for in this title may be prescribed by the commission. rules may include the requirement that a complainant use informal processes before filing a formal complaint.

(4) The commission shall, as appropriate, audit a nonmunicipal water system upon receipt of an administrative order from the department, or the city or county in which the water system is located, finding that the water delivered by a system does not meet state board of health standards adopted under RCW 43.20.050(2)(a) or standards adopted under chapters 70.116 and 70.119A RCW, and the results of the audit shall be provided to the requesting department, city, or county. However, the number of nonmunicipal water systems referred to the commission in any one calendar year shall not exceed twenty percent of the water companies subject to commission regulation as defined in RCW 80.04.010.

Every nonmunicipal water system referred to the commission for audit under this section shall pay to the commission an audit fee in an amount, based on the system's twelve-month audited period, equal to the fee required to be paid by regulated companies under RCW 80.24.010.

(5) Any customer or purchaser of service from a water system or company that is subject to commission regulation may file a complaint with the commission if he or she has reason to believe that the water delivered by the system to the customer does not meet state drinking water standards under chapter 43.20 or 70.116 RCW. The commission shall investigate such a complaint, and shall request that the state department of health or local health department of the county in which the system is located test the water for compliance with state drinking water standards, and provide the results of such testing to the commission. The commission may decide not to investigate the complaint if it determines that the complaint has been filed in bad faith, or for the purpose of harassment of the water system or company, or for other reasons has no substantial merit. The water system or company shall bear the expense for the testing. After the commission has received the complaint from the customer and during the pendency of the

commission investigation, the water system or company shall not take 1 any steps to terminate service to the customer or to collect any 2 amounts alleged to be owed to the company by the customer. 3 4 commission may issue an order or take any other action to ensure that 5 no such steps are taken by the system or company. The customer may, at the customer's option and expense, obtain a water quality test by a 6 7 licensed or otherwise qualified water testing laboratory, of the water 8 delivered to the customer by the water system or company, and provide 9 the results of such a test to the commission. If the commission 10 determines that the water does not meet state drinking water standards, it shall exercise its authority over the system or company as provided 11 in this title, and may, where appropriate, order a refund to the 12 13 customer on a pro rata basis for the substandard water delivered to the customer, and shall order reimbursement to the customer for the cost 14 15 incurred by the customer, if any, in obtaining a water quality test.

16 **Sec. 14.** RCW 70.116.070 and 1977 ex.s. c 142 s 7 are each amended 17 to read as follows:

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- (1) The <u>proposed</u> service area boundaries of public water systems within the critical water supply service area that are required to submit water system plans under this chapter shall be ((determined by written agreement among the purveyors and with the approval of the appropriate legislative authority. Failure of the legislative authority to file with the secretary objections to the proposed service area boundaries within sixty days of receipt of the proposed boundary agreement may be construed as approval of the agreement)) identified in the system's plan. The local legislative authority, or its planning department or other designee, shall review the proposed boundaries to determine whether the proposed boundaries of one or more systems overlap. The boundaries determined by the local legislative authority not to overlap shall be incorporated into the coordinated water system plan. Where any overlap exists, the local legislative authority may attempt to resolve the conflict through procedures established under RCW 70.116.060(5).
- (2) ((If no service area boundary agreement has been established within a reasonable period of time, or if the legislative authority has filed with the secretary objections in writing as provided in subsection (1) of this section)) Any final decision by a local legislative authority regarding overlapping service areas, or any

- unresolved disputes regarding service area boundaries, may be appealed 1 or referred to the secretary in writing for resolution. After receipt 2 of an appeal or referral, the secretary shall hold a public hearing 3 4 The secretary shall provide notice of the hearing by certified mail to each purveyor ((providing service in the critical 5 water supply service area)) involved in the dispute, to each county 6 7 legislative authority having jurisdiction in the area and to the 8 The secretary shall provide public notice pursuant to the 9 provisions of chapter 65.16 RCW. Such notice shall be given at least 10 twenty days prior to the hearing. The hearing may be continued from time to time and, at the termination thereof, the secretary may 11 restrict the expansion of service of any purveyor within the area if 12 13 the secretary finds such restriction is necessary to provide the greatest protection of the public health and well-being. 14
- 15 **Sec. 15.** RCW 56.08.200 and 1991 c 190 s 1 are each amended to read 16 as follows:
- It is unlawful and a misdemeanor to make, or cause to be made, or to maintain any ((sewer)) connection with any sewer or water system of any sewer district, or with any sewer or water system which is connected directly or indirectly with any sewer or water system of any sewer district without having permission from the sewer district.
- 22 **Sec. 16.** RCW 57.08.180 and 1991 c 190 s 5 are each amended to read 23 as follows:
- It is unlawful and a misdemeanor to make, or cause to be made, or to maintain any ((sewer)) connection with any sewer <u>or water system</u> of any water district, or with any sewer <u>or water system</u> which is connected directly or indirectly with any sewer <u>or water system</u> of any water district without having permission from the water district.
- NEW SECTION. Sec. 17. Section 10 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1995."

E2SSB 5448 - H AMD 1 2 By Representative Chandler 3 On page 1, line 1 of the title, after "systems;" strike the 4 remainder of the title and insert 5 "amending RCW 70.116.060, 70.119A.060, 82.16.020, 70.119.020, 6 70.119.030, 70.116.050, 70.119A.130, 43.155.050, 70.116.070, 56.08.200, and 7 70.119A.040, 57.08.180; reenacting and amending RCW 80.04.110; adding new sections 8 to chapter 70.119A RCW; creating a new section; prescribing penalties; 9 providing an effective date; and declaring an emergency." 10

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